

**THIRTY-FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

COLFAX, LOUISIANA

Annual Financial Report

For the Year Ended December 31, 2002

TABLE OF CONTENTS

Accountants' Report	1
Combined Balance Sheet – All Fund Types and Account Groups.....	2
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund Type	3
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	4
Notes to Financial Statements.....	5 - 7
Schedule of Per Diem Paid to Board Members	8
Independent Accountants' Report on Applying Agreed-Upon Procedures	9 - 12
Management's Corrective Action Plan.....	13
Schedule of Prior Year Findings	14
Louisiana Attestation Questionnaire	Appendix

ROZIER, HARRINGTON & MCKAY

CERTIFIED PUBLIC ACCOUNTANTS

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May 22, 2003

Board of Directors
Thirty-Fifth Judicial District
Indigent Defender Board
Colfax, Louisiana

We have compiled the accompanying balance sheet of Thirty-Fifth Judicial District Indigent Defender Board as of December 31, 2002, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended, and the accompanying supplementary information, contained in the schedule of per diem paid to board members, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated May 22, 2003, on the results of our agreed-upon procedures.



ROZIER, HARRINGTON, & MCKAY
Certified Public Accountants

THIRTY-FIFTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 2002

	Governmental Fund Type <u>General Fund</u>
<u>Assets:</u>	
Cash and Cash Equivalents	\$ 7,939
Accounts Receivable (Net of Allowance for Doubtful Accounts)	<u>4,202</u>
 Total Assets	 <u>\$ 12,141</u>
 <u>Liabilities and Fund Equity:</u>	
Liabilities:	
Accounts Payable	\$ -
Payroll Taxes Accrued and Withheld	<u>525</u>
 Total Liabilities	 <u>525</u>
 Fund Equity:	
Unreserved Fund Balance	<u>11,616</u>
 Total Fund Equity	 <u>11,616</u>
 Total Liabilities & Fund Equity	 <u>\$ 12,141</u>

See the accompanying accountants' report.

THIRTY-FIFTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
Statement of Revenue, Expenditures and Changes in Fund Balance
Governmental Fund Types
For the Year Ended December 31, 2002

	<u>General Fund</u>
<u>Revenues:</u>	
Court Costs and Fees	\$ 45,251
Fees from Indigents	2,537
State DAF Funds	<u>10,500</u>
	58,288
Total Revenues	<u>58,288</u>
<u>Expenditures:</u>	
Salaries and Benefits	2,584
Professional Services	51,791
Other	<u>4,498</u>
Total Expenditures	<u>58,873</u>
Excess (Deficiency) of Revenues Over Expenditures	(585)
Fund Balance at Beginning of Year	<u>12,201</u>
Fund Balance at End of Year	<u>\$ 11,616</u>

See the accompanying accountants' report.

THIRTY-FIFTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Court Costs and Fees	\$ 45,000	\$ 45,251	\$ 251
Fees from Indigents	2,500	2,537	37
State DAF Funds	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Total Revenues	<u>58,000</u>	<u>58,288</u>	<u>288</u>
<u>Expenditures:</u>			
Salaries and Benefits	2,732	2,584	148
Professional Services	51,900	51,791	109
Other	<u>4,588</u>	<u>4,498</u>	<u>90</u>
Total Expenditures	<u>59,220</u>	<u>58,873</u>	<u>347</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,220)</u>	<u>(585)</u>	<u>635</u>
Fund Balance at Beginning of Year	<u>12,201</u>	<u>12,201</u>	<u>-</u>
Fund Balance at End of Year	<u><u>10,981</u></u>	<u><u>11,616</u></u>	<u><u>635</u></u>

See the accompanying accountants' report.

Thirty-Fifth Judicial District
Indigent Defender Board
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Thirty-Fifth Judicial District Indigent Defender Board was established under the laws of the State of Louisiana in order to provide legal representation for indigent people involved in criminal proceedings. The Board receives fees and other costs which are assessed from persons participating in the judicial process. The Board may also receive fees from indigent defendants, whenever the District Judge determines that fees of this nature are appropriate. The Board is governed by three (3) members who are appointed by the District Court. The Board Members serve without compensation.

The accompanying policies conform to generally accepted accounting principles for governmental units.

Financial Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the financial reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a) The ability of the reporting entity to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the criteria presented above, the Board is a component of the Thirty-Fifth Judicial District Court. The accompanying financial statements present information only on the fund and account groups maintained by the Board and do not present information of the Thirty-Fifth Judicial District, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

Thirty-Fifth Judicial District
Indigent Defender Board
Notes to Financial Statements
For the Year Ended December 31, 2002

Fund Accounting

The accounts of the Board are organized on the basis of funds which consist of a single general fund. The General Fund is the general operating fund of the Board. It is used to account for all financial resources.

Basis Of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenues are considered available if the revenue is collected within 60 days of the year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Inventories of supplies are considered immaterial and are not recorded.

Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budgets

Budgets are adopted prior to the beginning of each year using the generally accepted basis of accounting. Furthermore, budgets are amended in the manner prescribed by state law.

Cash And Cash Equivalents:

Amounts reported as cash and cash equivalents include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments.

Compensated Absences:

Personnel policy adopted by the Board does not allow employees to carryover material amounts of vested leave. As a result, no provision for compensated absences is included in the accompanying financial statements.

Encumbrance Accounting:

Purchase orders, contracts, and other commitments to engage in future expenditures are referred to as encumbrances. Since encumbrances do not represent liabilities or current expenditures, encumbrances are not reported in the accompanying financial statements.

Thirty-Fifth Judicial District
Indigent Defender Board
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 2 - CASH AND CASH EQUIVALENTS

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2002, the Board's entire collected bank balance was fully secured from risk by federal deposit insurance.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2002 are summarized as follows:

Fees assessed from indigent defendants	\$ 57,439
Due for the Grant Parish Sheriff's Office	4,202
<hr/>	
Total accounts receivable	61,465
Allowance for doubtful accounts	(57,439)
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Accounts receivable net of allowance for doubtful accounts	\$ 4,202
<hr/>	

NOTE 4- RISK MANAGEMENT

The Board is exposed to various risk of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board insures against these risks by participating a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risk have not exceeded insurance coverage in any of the past three fiscal years.

**THIRTY-FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

**Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2002**

For the year ended December 31, 2002, members of the governing board served without compensation.

See the Accompanying Accountants' Report

ROZIER, HARRINGTON & MCKAY

CERTIFIED PUBLIC ACCOUNTANTS

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May 22, 2003

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Thirty-Fifth Judicial District
Indigent Defender Board
Colfax, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Thirty-Fifth Judicial District Indigent Defender Board and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Thirty-Fifth Judicial District Indigent Defender Board's compliance with certain laws and regulations during the year ended December 31, 2002, included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW:

1. Select all expenditures made during the year for material and supplies exceeding \$7,500, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$7,500 and no expenditures were made for public works exceeding \$100,000.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

**Thirty-Fifth Judicial District
Indigent Defender Board
May 22, 2003**

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with all payroll records.

4. Determine whether any of those employees included in the records obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the reports provided by management in agreed-upon procedure (2).

BUDGETING

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 17, 2001, which indicated that the budget was unanimously adopted by the Governing Board of the Thirty-Fifth Judicial District Indigent Defender Board.

We traced the adoption of an amended budget to the minutes of a meeting held on December 17, 2002, which indicated that the budget was unanimously adopted by the Governing Board of the Thirty-Fifth Judicial District Indigent Defender Board.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Unfavorable variances did not exceed five percent (5%).

ACCOUNTING AND REPORTING

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee.

***Thirty-Fifth Judicial District
Indigent Defender Board
May 22, 2003***

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account.

All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated that each check was signed by the Secretary/Treasurer and the Chief Indigent Defender. No further approval was required.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Indigent Defender Board is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, we could not find any evidence supporting such assertion.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected the cash receipts journal for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND BONUSES

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

***Thirty-Fifth Judicial District
Indigent Defender Board
May 22, 2003***

This report is intended solely for the use of management of the Thirty-Fifth Judicial District Indigent Defender Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



ROZIER, HARRINGTON & MCKAY
CERTIFIED PUBLIC ACCOUNTANTS

**THIRTY-FIFTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
MANAGEMENT'S CORRECTIVE ACTION PLAN**

For the Year Ended December 31, 2002

<u>SECTION I</u> COMPILATION REPORT	
N/A – No findings of this nature were reported.	Response – N/A
SECTION II ATTESTATION REPORT	
N/A – No findings of this nature were reported.	Response – N/A
SECTION III MANAGEMENT LETTER	
N/A – No findings of this nature were reported.	Response – N/A

**THIRTY-FIFTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD
SCHEDULE OF PRIOR YEAR FINDINGS**

For the Year Ended December 31, 2001

<u>SECTION I</u> COMPILATION REPORT	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION II</u> ATTESTATION REPORT	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
N/A – No findings of this nature were reported.	Response – N/A

**LOUISIANA ATTESTATION QUESTIONNAIRE
FOR THE YEAR ENDED DECEMBER 31, 2002**

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

May 12, 2003 (Date Transmitted)

Rozier, Harrington & McKay
Post Office Box 12178
Alexandria, Louisiana 71315

In connection with your compilation of our financial statements as of **December 31, 2001** and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of the date transmitted as presented above.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [☒] No [☐]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [☒] No [☐]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [☒] No [☐]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [☒] No [☐]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No [☐]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [☒] No [☐]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [☒] No [☐]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [☒] No [☐]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [☒] No [☐]

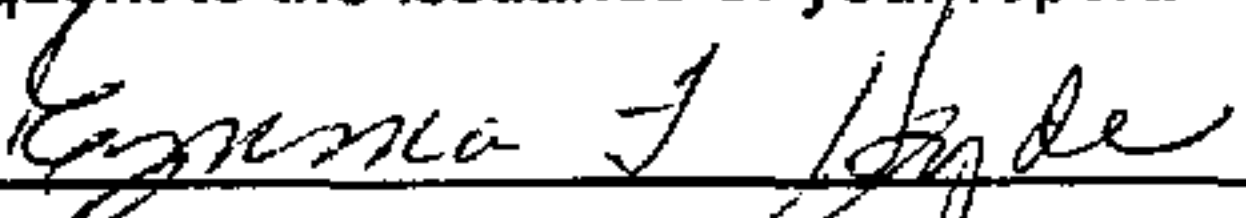
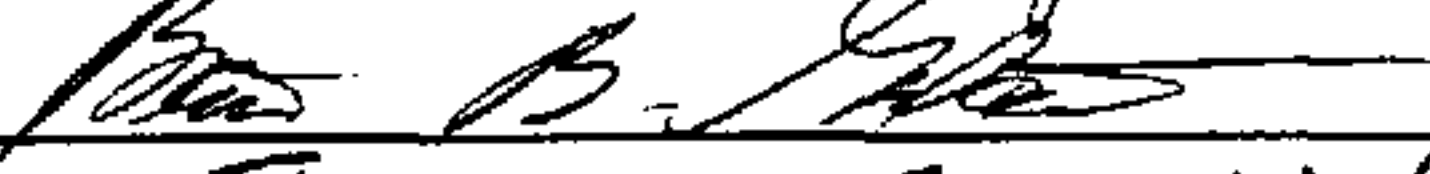

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Board Member	5/12/03	Date
	Board Member	5/12/03	Date
	Board Member	5/12/03	Date